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ARTICLES:

- (1) Can DPJ achieve breakthrough and realize election pledges?

ASAHI (Page 4) (Abridged slightly)
August 31, 2009

President Yukio Hatoyama of the Democratic Party of Japan (DPJ) has starting to work on forming his cabinet. The new administration will likely be launched as early as mid-September. The administration will face the test of whether it can really carry out the pledges the DPJ made during the election campaign. The Hatoyama cabinet will face a heap of challenges, including a drastic change to the budget compiled by the LDP administration, regaining trust in the public pension system, rebuilding medical services, and establishing equal Japan-U.S. relations.

Bold budget change key to secure funding sources

Compilation of fiscal 2010 budget

Major policy proposals alone, for which the DPJ has indicated implementation schedules in its policy manifesto, would require funding resources worth 7.1 trillion yen in fiscal 2010. Whether the government can secure the necessary funds depends on how drastically it can change the government budget.

The key player in compiling the budget is a national strategy bureau directly reporting to the prime minister. The bureau will likely set a budget outline. The administrative renewal council, which will also be newly established, will reexamine existing projects in the budget so as to squeeze funding resources out of them.

The panel will start review the Aso cabinet-compiled fiscal 2009 extra budget worth roughly 14 trillion yen. The plan is to squeeze out approximately 3 trillion yen through carefully examining its

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details, by such means as calling off the construction of a national media art center (hall for displaying anime cartoons) and appropriating the extracted amount into the fiscal 2010 budget.

The administration will likely submit the extra budget after calling off projects that it has determined to be unnecessary, cancelling some project items in the existing extra budget or replacing them with other items.

However, contracts with private companies have already been made for some spending items. Local governments have set up a vehicle for funds that are set to receive government subsidies for multiple years. A senior official of a certain economy-related government agency said, "I cannot imagine how the new administration will be able to convince the persons involved."

The budget combining the general account and the special account totals 207 trillion yen, of which the panel will make an overall revision to items worth 70 trillion yen when compiling the fiscal 2010 budget. Substantive cuts in subsidies or cancellations of public works are likely.

Of the 70 trillion yen, subsidies account for 49 trillion. It is difficult to slash most of subsidies, as they are for social security and local allocation tax grants. Trimming public works could further undermine local economies. Lawmakers elected from local constituencies may oppose such cuts, which would necessitate the coordination of views among party members.

Some are concerned about a possible delay in the compilation of the budget. Government agencies usually submit their budget requests by the end of August and compilation work begins to be ready for the final drafting of the budget at year's end. The DPJ intends to ask various government agencies to submit their requests again so as to reflect their wishes in the draft budget.

The Japanese economy is not yet on a recovery track. Although the growth rate for the April-June quarter was positive, there is concern that stimulus measures might run out of steam.

Takahide Kiuchi, a chief economist at the Financial and Economic Research Center, Nomura Securities, pointed out: "If public investment is slashed in the second half of the fiscal 2009 when the negative effects of stimulus measures will be felt, the economy is

bound to plunge." He estimates that a 3 trillion yen cut in the fiscal 2009 extra budget would push down the growth rate by 0.4 percent." The DPJ intends to expand domestic demand by enriching the household budget through the payment of child allowances and other benefits. However, since the Japanese economy relies deeply on foreign demand, the DPJ will find it difficult to manage the economy.

Fiscal reconstruction is another serious challenge. Hatoyama has revealed a policy of constraining the issuance of new government bonds in fiscal 2010 to less than 44 trillion yen - the amount issued in fiscal 2009 -- after the compilation of the extra budget. However, the outstanding balance of long-term debts combining those held by both the central and local governments will reach 816 trillion yen as at the end of fiscal 2009. If the fiscal reconstruction goal to be revealed coinciding with the compilation of the budget fails to persuade market participants, long-term interest rates will rise, creating a drag on the economy.

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Some households opposed to child allowances

Social security

The DPJ advocates child allowances as the showcase of the new administration's policies. Each child will receive 26,000 yen per month. The benefit will be provided until recipients graduate from middle school. This would cost 2.7 trillion yen even in fiscal 2010, when only half of that amount is handed out. Since the DPJ-proposed new allowance is almost three times the amount of the present allowance (paid until recipients graduate from a primary school), securing funding sources is a major challenge.

The DPJ plans to secure funding resources, by abolishing spousal and dependent deductions from income tax. However, households with full-time homemakers that have no children might strongly oppose the proposal.

During the campaign, Hatoyama repeatedly stressed the pension record issue in his stump speeches, saying, "Your pensions are falling apart." The DPJ has pledged to tackle the issue intensively as a national project at the cost of 400 billion yen over two years. However, a concrete plan, such as the amount of personnel to work on the issue, how to secure the necessary number of personnel, and to what extent the issue should be worked out in two years, has yet to be set.

Prompt measures are sought against the spread of the new swine flu virus. The administration's crisis management capability could be put to the test on this issue as well.

An especially serious question is how to secure vaccines. At present, it is estimated that vaccines for 13 million to 17 million people will be manufactured domestically before year's end. The amount is far below the amount needed to vaccinate 53 million people as estimated by the Ministry of Health, Labor and Welfare. Whether to import vaccines and how to prioritize persons eligible for vaccination must be decided as early as September.

The new administration is going to be launched right after the jobless rate hit the worst-ever level of 5.7 percent in July. The DPJ has pledged to build a second safety net to assist those who no longer receive unemployment benefits, non-regular workers, and those who cannot be covered by employment insurance to reenter the workforce.

The LDP-New Komeito administration established a measure to pay about 100,000 yen in living expenses to those undergoing vocational training as a temporary measure with a three-year life span. The DPJ will take over this measure for the time being. However, it intends to submit job-seeker assistance legislation to the Diet and implement the measure incorporated in the bill in fiscal 2011 as a permanent system.

On the issue of the ways people work, the focus is on amending the

Worker Dispatch Law. The DPJ incorporated a total ban on dispatching workers hired by the day and a ban in principle on dispatching workers to manufacturing firms in a package of common policies, which it has compiled in cooperation with the Social Democratic Party and the People's New Party.

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However, there is opposition to placing total bans even among DPJ members. Business circles are concerned that such bans would deprive job-seekers of job opportunities. Labor-management talks on the issue are expected to encounter difficulties.

(2) DPJ President Hatoyama plans fundamental revision of budget request guidelines with launch of new administration close at hand

ASAHI (Page 6) (Excerpts)
September 1, 2009

All government agencies have now presented their budget request guidelines for the government's fiscal 2010 budget. There are many requests that have different policy lines from those of the Democratic Party of Japan (DPJ). Since it is expected that the budget request guideline system itself might be annulled, the Finance Ministry is unable to enter full-fledged screening. It is now waiting for the DPJ to come up with a decision.

The general account of budget request outlines for the government's fiscal 2010 budget totaled the largest-ever amount of roughly 92.13 trillion yen, up about 3.58 trillion yen, compared with the fiscal 2009 initial budget. DPJ President Hatoyama indicated his stance of substantively revising it, saying, "It is necessary to make efforts to conduct a fundamental revision of it."

The total amount of general expenditures expanded to 52.67 7 trillion yen, up 940 billion yen from the fiscal 2009 initial budget, due to a switch from the previous policy to curb social security expenditures. Local allocation tax grants also increased to 17.5428 trillion yen, up 969.5 billion yen, due to a grim tax revenue estimate. The amount of requests for debt servicing costs, which is equivalent to the repayment of interest and principle of government debts, reached 21.9158 trillion yen, up 1.6721 trillion yen.

The Finance Ministry intends to press ahead with the screening of compulsory expenditures that have to be appropriated under the system. The DPJ's policy will likely require a substantive revision to budget request guidelines themselves.

Battle over budget: Sources of contention in requests filed by various government agencies

Kazunori Yamanoi of the DPJ, who was reelected in the Lower House election, called Public Assistance Division chief Hiroyuki Mitsuishi of the Ministry of Health, Labor and Welfare (MHLW) to his office. The purpose of the meeting was to ask for his cooperation in reinstating additional benefits paid to single-mother households that are receiving welfare benefits, a system that was completely abolished this year.

The MHLW did not include a request for additional benefits for such households in its budget request guidelines in accordance with the Aso administration's policy. Yamanoi asked Mitsuishi to start looking into the reinstatement of such benefits in a positive manner, saying, "There is a strong possibility of a new MHLW minister ordering the reinstatement of such a benefit in about two weeks' time." The division chief simply replied, "We will look into such if we are ordered to do so." The reality is, however, that if the DPJ formally issues such an order, the MHLW has to follow it. Such sources of contention are visible among requests filed by the

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Ministry of Land, Infrastructure and Transport (MLIT), as well, which the DPJ pointed out as a target of budgetary cuts.

Targets mentioned by name

Typical examples of such requests are the construction of the Yamba Dam in Gumma Prefecture and the Kawabe River Dam in Kumamoto Prefecture. The DPJ has singled out both projects as targets for suspension. Vice MLIT Minister Hiroaki Taniguchi during a press conference on the 31st said, "I would like to explain to the new ministers the circumstances of the projects and our approach to them." Essentially he wants to avoid a head-on collision with the DPJ. However, his first move was to maintain the previous policy. MLIT's budget requests, such as one for scrapping the provisional gasoline tax rate, include a number of contentious issues.

The Ministry of Agriculture, Forestry and Fisheries (MAFF) has also requested 2,475 billion yen for measures to strengthen its rice acreage reduction policy, including the full utilization of paddy fields for other purposes, taking no notice of the DPJ's showcase policy of compensating individual farm households' income. Vice MAFF Minister Michio Ide criticized the DPJ's policy. Hatoyama admonished him, saying, "In Britain, he would have been fired." The DPJ and MAFF are bound to face off in compiling the budget.

A senior Education, Culture, Sports, Science and Technology Ministry (MEXT) official said, "The DPJ's stance is close to ours in the sense that it intends to boost the education budget as a whole." However, although MEXT shares the same stance with the DPJ in outline, Vice MEXT Minister Toichi Sakata during a regular press conference on the 31st cited the method of providing assistance as an item up for consideration. He said: "Our stance is slightly different from that of the DPJ, which intends to pay benefits to all children regardless of their economic conditions. Will the benefits be paid to children's households or to the schools? A simple and speedy method is desirable since the system will involve administrative costs."

(3) Column article: "Think carefully, Mr. Hatoyama. Differentiation in foreign policy makes no sense"

SANKEI (Pages 1, 2) (Full)
September 1, 2009

Yukio Okamoto, foreign affairs commentator

The article contributed by Mr. Hatoyama (Democratic Party of Japan President Yukio Hatoyama) to The New York Times before the election took the world by surprise. Let me translate some passages from it:

"In the post-Cold War period, Japan has been continually buffeted by the winds of market fundamentalism in a U.S.-led movement that is more usually called globalization... Consequently, human dignity is lost."

"The global economy has damaged traditional economic activities and destroyed local communities."

His position on security issues, which I will discuss later, is also radical. This article, which heaps criticism upon the United States and negates the foundation of Japan's own existence, has created a stir. One American expert was quick to react to this article:

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"Hatoyama is no different from Chavez (the Venezuelan president)."

Why had no one checked this English-language article that would hurt Mr. Hatoyama? Never mind Chavez. Another person who, like this article, blamed American unilateralism for what went wrong in the world is (then) Russian President Vladimir Putin, in his speech in Munich in February 2007. But even Putin did not criticize globalism. What Hatoyama said in his article is closer to the U.S. and European NGOs that protest against globalism and continually obstruct the G-8 Summit.

Japan is not a victim of globalism. It is rather a beneficiary of a world economy where people, money, and goods move freely. We would prefer to see Mr. Hatoyama argue for international cooperation.

In the past two weeks, I have traveled to many constituencies talking to voters. It is evident that the outcome of the election is not a landslide victory for the DPJ, but rather a crushing defeat for the Liberal Democratic Party (LDP), which self-destructed. One-time LDP supporters had rebelled. That is why there was great dissatisfaction with Mr. Aso, who during the campaign kept up a barrage of criticism of the DPJ. In response the voters cried out, "We are saying you and the LDP are no good. Tell us how you will change the LDP rather than criticize other parties!"

The people have not thrown their support behind DPJ's policies. Therefore, I would like to ask Mr. Hatoyama to have the DPJ study realistic policies at full speed. Foreign policy is particularly important. Unlike domestic policies, it is hard to start all over again when a mistake is made in foreign policy.

Take, for example, the revision of the Japan-U.S. Status of Forces Agreement (SOFA). During the election campaign, the DPJ focused only on the provision by which Japanese are not given custody of a suspect before indictment and asserted repeatedly that SOFA is unequal. The U.S. will probably be reluctant to revise SOFA because of the impact of such revision on the nearly 100 SOFAs it has concluded with various countries around the world. This will lead to growing discontent among the Japanese people, who have been indoctrinated into believing that the SOFA is "unequal."

The Japan-U.S. SOFA is not particularly "unequal." Some of its key provisions actually benefit Japan. For example, except for crimes committed while performing official duties, offenses by U.S. soldiers are tried by Japanese courts. In Germany, they are tried by the U.S. forces. This provision on judicial jurisdiction is more fundamental than the technical issue of custody of the suspect pending indictment.

Furthermore, assuming that negotiations for SOFA revision are initiated, what will happen? U.S. forces, who have long wanted to revise SOFA provisions for greater freedom of movement and freedom to conduct exercises, will probably also present demands for revision. In diplomacy, one cannot say, "We reject all your demands but we want you to accept all our demands." So what will happen?

If the Self-Defense Forces (SDF) ships are to be withdrawn from the Indian Ocean, alternative plans should be drawn up. Japan provides economic aid to Afghanistan, and JICA (Japan International Cooperation Agency) officials and experts are engaged in selfless activities there. However, the refueling mission in the Indian Ocean, which is in essence a sharing of the risk in the war against

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terrorism, is different in nature. Japan's "war against terrorism" currently solely consists of dispatching two Ministry of Foreign Affairs officials who are constantly guarded by the army of a small country, Lithuania. It is not America, but Europe, that is watching what Japan is doing. If Japan is unable to meet the international community's demands to share the risk on the ground and is even withdrawing its ships from Indian Ocean, this will amount to dropping out from the society of international mutual aid.

However, the basic thinking on the Japan-U.S. alliance is much more important than policies on specific issues.

Hatoyama wrote in his article: "How should Japan maintain its political and economic independence ... when caught between the United States, which is fighting to retain its position as the world's dominant power, and China, which is seeking ways to become dominant?"

The article did have a sentence reading "the Japan-U.S. security pact will continue to be the cornerstone of Japanese diplomatic policy," but there is no indication of the recognition that Japan is an ally of the U.S.

The U.S. is a country with the legal obligation to protect Japan from aggression under the security treaty. On the other hand, China is a country that has declared the Senkaku Islands to be its

territory under its Territorial Sea Law of 1992, that has stipulated the main mission of its navy is to protect its maritime interests under the 1997 National Defense Law, and that is building a strong blue water fleet. Hatoyama regards America and China as equal and talks about maintaining independence from these two countries.

The answer Hatoyama offers in his article is regional integration and a collective security framework in Asia. Can a foundation for collective security be built in an Asia where countries have different political systems, embrace different values, and differ also in terms of military power? This will probably only be possible in the distant future.

If Japan chooses to maintain equal distance from the U.S. and China, it has only one option: independent defense capability, in other words, armed neutrality. For this purpose, the size of the SDF will have to be increased at least several times, and Japan will have to possess a nuclear capability. If that is not acceptable, the only alternative is unarmed neutrality, which was once advocated by the left wing of the (defunct) Japan Socialist Party.

If the DPJ talks about "keeping an appropriate distance from the U.S.," this will only please the pro-China groups in the U.S. They will say, "Why should we have any qualms about Japan? Japan itself is saying that it should keep distance from the U.S." If Japan helps enhance such an atmosphere, in the worst case, the fate of the Pacific will be decided by "G-2," consisting of the U.S. and China, without Japan's input. We pin our hopes on the DPJ's diplomacy with Asia, particularly with China. However, this should be based on a solid Japan-U.S. relationship.

The LDP made many mistakes. That is why it suffered a debacle in the election. However, it is an undeniable fact that the foreign policy consisting of the Japan-U.S. security alliance and light armament upheld consistently by conservative politics in the postwar period has been instrumental for Japan's security and prosperity.

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Differentiation from the previous foreign policy just for the sake of differentiation does not make any sense.

This is what we want Mr. Hatoyama to ponder as he prepares to launch his administration.

(4) Editorial: LDP achieves overwhelming victory in Lower House election; people have changed Japan; change of administration requires new spirit

MAINICHI (Page 4) (Full)
August 31, 2009

An angry wave swept through (the House of Representatives). Veteran Liberal Democratic Party (LDP) lawmakers and factional leaders were defeated by unknown candidates one after another. The people clearly opted for change. Their decision on a change of government will go down in history.

In the Lower House election (yesterday), the Democratic Party of Japan (DPJ) garnered over 300 seats, paving the way for a DPJ-led administration. Meanwhile, the LDP not only lost its status as the leading party in the Lower House for the first time but also saw its strength diminished to one-third of its reelection power, putting an end to the LDP-New Komeito administration.

True democracy in which the leading party changes through an election has long been absent from the Japanese political scene. The new administration will be launched for the first time in the postwar period after a head-on battle between the two major parties.

A historic power shift

Although they had some anxiety about the DPJ, the public felt an urgent need to find a breakthrough to the deadlocked political situation. That sense of urgency resulted in the tremendous political upheaval. A rocky road lies ahead for the new

administration to be launched by "Prime Minister Yukio Hatoyama."
(The new DPJ administration) must demonstrate to the general public its spirit and determination to change politics completely without resorting to brute numerical strength.

More than simply the winds of political change, the outcome represented a revolution and a clear farewell to the LDP-New Komeito administration. Voter turnout, which reached nearly 70 percent, demonstrates the public's strong will to change politics. The collapse of LDP strongholds were symbolic events. Popular will seeking change developed into a generational change in lawmakers.

The Hosokawa cabinet that was launched after the 1993 Lower House election was also a non-LDP administration, but the LDP was still the largest party and political reform was a point at issue. In 1955 the Liberal Democratic Party was established and began its long period of single party rule.

That system was finally ended in the fifth Lower House election since the single-seat constituency system was introduced to choose the party best suited to take up the reins of government. Democracy's original function of a power shift by means of an election has been restored, and that deserves a positive assessment as political progress.

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Although it is said that single-seat constituencies tend to have a snowball effect, this sea change cannot be explained fully without mentioning changes in the political and social structures.

The LDP's power rested on the rigid structure of distributing gains to industrial circles and organizations and of administrative management by bureaucrats. The Koizumi reform initiative emerged when the nation's economy was in the doldrums and its fiscal deficit was snowballing. The LDP, advocating a small government, achieved an overwhelming victory in the 2005 Lower House election, and the party seemed resuscitated as a result.

But the medical system, the pension system, socioeconomic disparities, and the battered local regions rapidly exacerbated people's anxiety about their livelihoods, and the LDP's reform policy course spiraled out of control. Two incumbent prime ministers walked off the job during the lopsided Diet (control of the Lower House by the ruling party, and of the Upper House by the opposition) after the LDP's serious setback in the (2007) House of Councillors election, exposing the party's lack of ability to govern. Public discontent with the Aso administration, which continually postponed dissolution of the Lower House without reexamining Koizumi's politics, crescendoed .

Further, vote-collecting machines underpinning industrial circles, rural areas, and local assemblymen hewing to the Koizumi policy course also rapidly declined and turned their backs on the LDP. With second- and third-generation lawmakers reigning supreme, the LDP lacked able personnel as well. It can hardly be said that Prime Minister Taro Aso had what it takes as a leader to make a breakthrough in the impasse. Suffering from institutional fatigue, the LDP was on the verge of disintegration.

In stark contrast to the LDP, which remained focused on industries and unable to break away from bureaucrat-led policymaking, the DPJ successfully presented points at issue by advocating livelihood-oriented policies and a departure from bureaucratic-controlled policymaking in its manifesto under the slogan of regime change. The voters' selection of the DPJ after the 40-day campaign period carries great significance.

But a ship that set sail after winning a large number of seats carries many risks. Great expectations go hand in hand with deep disappointments. Needless to say, the administration must not be run solely on the basis of numerical strength. An Upper House election is scheduled for next summer. (A DPJ administration) will be pressed to show evidence for political change.

LDP urged to make a fresh start

A politician-led decision-making system must be built swiftly. It is essential to put an end to the bureaucrat-led cabinet system epitomized by bureaucratic sectionalism so as not to follow the bad example of the Hosokawa cabinet, which failed to control bureaucrats.

The DPJ also must clarify its ambiguous foreign and security policies in the process of forming a coalition with other parties. People voted for the DPJ in the knowledge of risks associated with the party, such as its insufficient explanation of funding sources. The DPJ must not have too much confidence in its victory by

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interpreting it as public trust in its ability to govern.

The LDP's role, too, will be incredibly important as an opposition party. The party continued to remain in power even after its very presence was questioned following the collapse of the Cold War and the bursting of the Japan's bubble economy, and that led to its downfall.

It is too early to conclude that yesterday's election has ushered in a two-party system composed of the DPJ and LDP. Nevertheless, the rule for deciding the administrative framework through an election must be established in the country.

There are many pressing issues, such as the economic crisis, fiscal deficit, the pension system, and medical services. The new administration must by all means deliver on its campaign pledges.

Voters who have entrusted the helm of government (to the DPJ), too, bear responsibility. Japan has now entered a new era in which voters will take part in and monitor politics more actively than before.

(5) Change of government: Rapture and anxiety of "Prime Minister Hatoyama"

SANKEI (Page 1) (Abridged slightly)
August 31, 2009

With his assumption of the prime minister's post becoming certain, Democratic Party of Japan (DPJ) President Yukio Hatoyama probably has mixed feelings now. He said just after midnight on Aug. 31 at a multiuse facility in the Roppongi district, where the DPJ set up a vote-counting center, "I thank voters for choosing a change of government in a courageous manner." It was his second press conference, during which he attempted to wear a severe expression.

There were scenes in which Hatoyama was chatting pleasantly with Deputy President Naoto Kan and Azuma Koshiishi, chairman of the DPJ caucus in the House of Councillors. However, he tried not to smile during televised press conferences on which the eyes of the public were on him. At the press conference in Roppongi he said, "I would like to carry out politics without becoming arrogant about our numerical power."

Appearing on TV programs reporting the results of the election, Deputy Secretary General Yoshihiko Noda, too, had a fixed expression on his face and said, "Circumstances are such that we are sure to seize power." The fact that the DPJ won more than 300 seats means that the public has high hopes for the party. For Hatoyama, who will steer the new government, the people's high expectations for his party are a source of encouragement but also a source of pressure.

The DPJ's victory had already been taken into consideration, however. Yesterday morning, Hatoyama told a lawmaker, a close aide of his, who was visiting his constituency, "You don't have to come to Tokyo, because I will not announce a roster of the party's new key executives."

In creating the new roster of DPJ executives the focus will be on what post Deputy President Ichiro Ozawa, who was in charge of the election, will be given. Appearing on a Fuji TV program last night, Hatoyama revealed that he would give Ozawa a key party post with an eye on next year's Upper House election. "As leader of Team DPJ," he

said "I want Mr. Ozawa to pave the way for all members to play ball." Asked by reporters last night about consultations on the formation of a coalition government, he said:

"I think Mr. Ozawa will probably say that it is inappropriate to answer such a question under circumstances in which it has yet to be decided that we will assume the reins of government."

Hatoyama mentioned Ozawa's name on purpose. It was a moment that hinted Ozawa was still playing the leading role in the DPJ.

On Aug. 28, a senior LDP member with close ties to Ozawa reportedly sought to constrain Hatoyama's aide, saying, "I have heard that you are talking about an administrative concept and new executives as if we seized power. It is not that easy to control the political reins."

On NHK and other TV programs last night, Ozawa was often asked about the possibility of expanding his influence in the DPJ owing to the large number of successful candidates, the so-called "Ozawa children." Even some DPJ members are worried about the prediction that Ozawa will strengthen his control of the administration from behind the scenes and establish a dual power structure.

However, Ozawa said, "Your thinking of politics at such a level is a problem of you people in the mass media."

Ozawa on TV programs stressed that he "will support the party with an utmost effort as a member of the DPJ." There is no doubt that Ozawa's any move will control the future political situation.

Appearing on an NHK program, Secretary General Katsuya Okada said, "I am filled with deep emotion" about the results of the election. That was the only time he showed any emotion, and he immediately pulled himself together.

Okada said, "A rocky road lies ahead" for the DPJ. Therefore, DPJ leaders' remarks appear to indicate their awareness that it will be difficult for them to steer a Hatoyama administration.

(6) DPJ to review Defense Ministry's budget request

TOKYO SHIMBUN (Page 30) (Full)
September 1, 2009

The Defense Ministry decided yesterday to earmark 116.6 billion yen in its budget request for next fiscal year to build a destroyer of the flattop type, which will carry helicopters and will be the largest of all vessels for the Maritime Self-Defense Force. The newly planned destroyer can carry nine helicopters against China's naval buildup. The new destroyer's blueprint, if translated into reality, will become a symbol of the arms race in East Asia and will inevitably become controversial. The Democratic Party of Japan has asked central government ministries and agencies to go over their respective budget requests. However, the MSDF brass is interested in acquiring the new destroyer.

The new helicopter destroyer has a continuous flat deck and looks like an aircraft carrier. This helicopter destroyer has a displacement of 19,500 tons at full load and has an overall length of 248 meters, a size larger than the Hyuga and the Ise, which are helicopter destroyers and will be commissioned soon.

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A helicopter destroyer of the Hyuga class can be loaded with up to four helicopters for patrol and other purposes. Meanwhile, the newly planned helicopter destroyer can carry up to nine helicopters on board. The MSDF plans to build this new vessel "to meet the naval buildup of neighboring countries," an MSDF staff officer explained. In the past five years, China has built 17 submarines and 10 destroyers. In addition, China is now aiming to acquire aircraft

carriers. The new destroyer is intended to cope with such a naval buildup.

The new destroyer will have dual functions to play the roles of a supply ship and a destroyer currently sent to the Indian Ocean. Furthermore, the new vessel will also play the role of a transport ship to sealift about 40 vehicles and about 300 troops from the Ground Self-Defense Force on a mission to strengthen the defense of Japan's outlying islands.

The Defense Ministry positions the new destroyer as a replacement for the Shirane, a helicopter destroyer to be mothballed. However, the new vessel is a multipurpose ship that is far more capable than the Shirane.

Under the current plan, the new destroyer cannot carry fighter or attack planes. The new destroyer therefore does not come under the category of an "attack carrier," which the government's constitutional interpretation does not allow Japan to possess. However, the Osumi, an MSDF transport ship, has its bridge on the starboard, and the Hyuga has a continuous deck. The new destroyer is designed to have a longer flat deck. This could pave the way for building an aircraft carrier.

(7) LDP, New Komeito's Fall (Part 2): Internal policy conflicts; path toward party's regeneration not in sight

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September 1, 2009

At his news conference on the ninth floor of the Liberal Democratic Party (LDP) headquarters at 2:00 p.m. on August 31, Prime Minister Taro Aso (LDP president) began, "We lost many comrades, and this is extremely regrettable. I apologize deeply to the voters who supported us and I am painfully aware of my responsibility as the party president." He reiterated his intention to resign, but he appeared to have gotten over what happened and looked calm.

Aso made the following analysis of the cause of the defeat: "There was discontent with the atmosphere of despair in society, with social disparities, and other issues. Due to the Koizumi reforms, we have not paid enough attention to our traditional support base." Then he added with emphasis, "We need to hold a presidential election promptly and regenerate the party in order to take back political power."

Nevertheless, the shock from the historic debacle is tremendous. Many LDP Diet members simply do not know how to deal with the fact that the party has gone into opposition. Most of the elected Diet members are making courtesy calls in their constituencies and only a few are in Tokyo. Many factions watched their leaders go down in defeat and have been unable to even set a schedule for their executive meetings.

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The ad hoc LDP executive meeting held at noon decided to schedule the start of official campaigning for the presidential race on September 18 and hold the election on September 28 after heeding the views of local officials at the national meeting of secretaries general.

Based on this plan, the election of the new president will not take place before the special Diet session that will elect the new prime minister. LDP lawmakers will have to vote for Taro Aso as prime minister. Although Secretary General Hiroyuki Hosoda remarked, "We will explain the situation at a general meeting of members of both houses of the Diet to seek their understanding," this is indeed odd. Former Secretary General Bunmei Ibuki burst into the party headquarters in the afternoon to object to voting for somebody who is going to resign, but was told that this schedule is "inevitable."

It is true that rushing the presidential election will give rise to a situation where the prime minister and party president are two different persons until the new prime minister is elected. "You have

to grope in the dark for everything once you stop being the number one party," lamented one party executive.

The shock is even greater in New Komeito, where its leader Akihiro Ota and secretary general Kazuo Kitagawa both lost in the election.

Ota held a news conference at the party headquarters in Minami-motomachi in Tokyo before noon on August 31 to announce his resignation. "We take the outcome of the election seriously and will work for a comeback," he said. "We will exert every effort to make the party capable of winning under any circumstances," indicating his bitter disappointment.

However, the party has not decided on any concrete plans except for holding an executive meeting on September 3 and electing a new leadership before the special Diet session is convened. Ota and other senior party officials made a courtesy call on the Soka Gakkai headquarters in Shinano-machi in Tokyo on the morning of August 31. Senior Gakkai officials tried to console them, saying, "The party and the Gakkai both campaigned really hard. It's too bad that the result turned out like this," but there was no discussion on how to manage New Komeito from now.

Kitagawa, who was also present at Ota's news conference, was as timid as could be. He only said, "I agree with Mr Ota." Since last fall, Kitagawa had been urging the prime minister to dissolve the Diet, but his request was rejected by Aso. New Komeito members still resent Aso's delaying the election. When Kitagawa was asked about this, he looked into the distance, saying "I don't really remember what happened in the past. Since the reality is what it is, it is useless to say this and that about the past."

The rehabilitation of the party is an urgent issue for both the LDP and New Komeito. However, this is easier said than done. The prime minister asserts that "the reason why support for the LDP dropped was because the merits of conservatism had not been fully conveyed." He has announced that the LDP will make a new start as a conservative party. This is because he reckons that the new administration, which will include the Social Democratic Party, is bound to be more liberal, so projecting a stronger conservative color will be a shortcut to recapturing political power.

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Former Prime Minister Shinzo Abe, an ally of Aso, also claims the party "should underscore our difference with the DPJ on foreign affairs, security, education, and other policies." However, the liberals say they are fed up with hearing the Abe-Aso line. There is no consensus in the party.

Spreading its ideological wings too widely both on the left and on the right to meet the people's needs is a distinctive characteristic of the LDP. If it respects the opinion of one side, it ends up facing opposition from the other side; and if it chooses to compromise, it is accused of eviscerating policies. All past prime ministers have had to grapple with this tricky problem.

The upcoming presidential election may further sharpen policy conflicts. Aso stressed that "the LDP is an open party. It is okay for members to voice various opinions. We are not a political party that suppresses discontent." But he added, "The most important thing is for us to unite after the final conclusion is reached. We will not be able to fight any battle unless we are united."

Will the LDP be able to unite and act as one as an opposition party? This might be the most difficult problem for the LDP, which has evolved through a process of continual realignments.

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